

# **Public Report Sustainable Forest Management System**

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**AJA EUROPE**  
**PUBLIC AUDIT REPORT - SFM**  
**TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE**



**CLIENT NAME:** CV Bhakti Praja Mulia

**TOTAL HECTARES:** 5,800 hectare

**SCOPE OF REGISTRATION:** Sustainable Forest Management of Plantation Forest covering 5,800 hectare in Riau Province, Indonesia

**STANDARD/CRITERIA :** IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

**TYPE OF AUDIT:** Surveillance 1

**AUDIT START DATE:** November 11, 2017

In signing this document the Audit team confirms that they have had no involvement with the company under audit in terms of consultancy, training, direct employment etc. within the last 2 years and have no other involvement (financial, shareholding or commercial) that would constitute a Conflict of Interest

**AUDIT END DATE:** November 13, 2017

**LEAD AUDITOR:** Warsito

**SIGNATURE:**

**AUDIT TEAM:** Andri Wibisono

**SIGNATURE:**

Abdullah Mujahid

**SIGNATURE:**

**MAJOR CARS:** 0

**MINOR CARS:** 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
CV Bhakti Praja Mulia	Sub-district of Pelalawan, Sub-district of Teluk Meranti, Pelalawan Regency, Riau Province, Republic of Indonesia.	November 11 to 13, 2017
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY - TO BE COMPLETED IF CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
N/A		

Document: Report Format Public - IFCC

Issue: D

Date: 15 September 2016

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#### Brief Description of the concession

CV Bhakti Praja Mulia was granted a concession license under the Decree of the Regent of Pelalawan Regency Number 522.21/IUPHHKHT/1/2003/011 dated January 28, 2003 and Appendix Map SK Scale 1: 80.000; administratively, the governance of CV Bhakti Praja Mulia falls under Pelalawan and Teluk Meranti Sub-districts, Pelalawan Regency, Riau Province.

In carrying out the forest management operations CV Bhakti Praja Mulia has a Working Plan for Utilization of Forest Timber Forest Products (RKUPHHK-HTI) adopted by SK 136/VI-BPHT/2010 dated 14 October 2010 concerning Approval of Work Plan of Timber Forest Product Utilization Industrial Plantation Forest (RKUPHHK-HTI) for the 10-year of 2010-2019 on behalf of CV Bhakti Praja Mulia in Riau Province. In the short term it is covered by the Annual Working Plan (RKT) of UPHHK-HTI. The above work plan documents cover aspects of production, environmental aspects and social aspects.

The document of Work Plan of Industrial Timber Forest Product Utilization Utilization (RKUPHHK-HTI) includes the spatial planning as follows: Protected Areas of 3,583 ha (61.78%); Area Not Effective For Production of 63 ha (1.09%); Staple Crop Area of 1,284 ha (22.14%); Seed Plant Area of 580 ha (10%); and Livelihood Plant Area of 290 ha (5.00%); total 100.01% due to rounding. There has been no conversion of natural forest to plantation forest since December 31, 2010, and thus the scope of the IFCC certification is for 5,800 ha.

The working area is geographically located between 00° 36' 16" to 00° 33' 39" North and 102° 17' 46" to 102° 28' 27" East. The working area is bounded to the west by IUPHHK-HT PT Riau Andalan Pulp and Paper, to the south with IUPHHK-HT CV Alam Lestari and IUPHHK-HA PT Yos Raya Timber, to the north by IUPHHK-HT PT National Timber and Forest Product and IUPHHK-HT PT Putra Riau Perkasa, and to the east by IUPHHK-HT PT Putra Riau Perkasa.

The working area of the Management Unit's working area is peat soil, and based on the site conditions the species chosen for development is *Acacia crassicarpa*.

#### Description of the socio-economic conditions of the concession and the concession's social programs

Administratively, the concession falls under the administrative area of two sub-districts, Pelalawan sub-district (Sungai Ara Village and Ransan Village) and Teluk Meranti sub-district (Pangkalan Terap Village, Kuala Panduk Village and Petodaan Village) Pelalawan Regency of Riau Province.

Based on ANDAL and RKUPHHK-HTI documents, no indigenous peoples are found in accordance with the requirements of law (UU No. 27 of 2007 and Presidential Decree No. 111 of 1999). The people living in the vicinity of the concession are dominated by Melayu ethnic groups who embrace Islam, so that the customs and culture that develops are strongly influenced by the Islamic religion.

The management unit has allocated livelihood crops for the community of 290 ha in accordance with the RKUPHHK-HTI document for 2010-2019 period, but due to the lack of clarity regarding the administrative boundaries of the Pelalawan District government, the company has not been able to enter into any agreement with the village entitled to the livelihood plant rights.

The Management Unit formed the Community of Concerned Fire (MPA) between CV Bhakti Praja Mulia and Sungai Ara Village on June 12, 2014, of which BLH Pelalawan District, Pelalawan District Forestry Service, Ukui Police Sector and Sub-District Military Rayon Commander Ukui are aware, and is an agreement on forest fire prevention under which the Company will provide training and empowerment of the MPA.

CV Bhakti Praja Mulia Management Unit has a conflict resolution mechanism in the form of SOP Protocol on Conflict Resolution dated 06 January 2014 and revised on 01 September 2015. The purpose of the conflict resolution procedure is ensure land dispute settlement or social conflict resolution is settled under the principle of consent without any coercion on the ground information (Free Prior Informed Consent-FPIC).

From a geographic standpoint, the concession area is surrounded by other companies and located far from any settlement, thus there is no community activity within the its area. Moreover, there are no community-claimed areas and thus no



cause for potential conflict.

Based on the report of the implementation of the CD program to the Head of Environment and Forestry Office of Riau Province, the type of Community Development (CD) activity realized in 2017 was in the form of facilitating religious observance.

#### **Description of the Ecological conditions of the concession**

The management unit has carried out the activities of managing the ecosystem and forest hydrological functions by identifying important forest management activities and conducting environmental impact assessment through: the implementation of AMDAL activities, RKL, RPL CV Bhakti Praja Mulia in 2002. Implementation of environmental management and monitoring each semester is recorded in the Environmental Implementation Report (RPL / RKL).

Reduced Impact Logging activities are implemented with pre-harvesting steps, during harvesting operations, and after harvesting activities. Identification of areas that serve for soil and water protection has led to the allocation of 3,583 ha of protected areas (61.78%), which includes 179 ha of River Border, KPPN and KPSL of 100 ha.

Monitoring the negative impacts of forest management activities in the concession area is carried out in accordance with the RKL ANDAL and RPL documents. CV Bhakti Praja Mulia, 2002. The Management Unit has documented procedures for monitoring of the negative impacts of forest management activities for Protected Areas, Water Quality and Soil Density and Erosion. CV Bhakti Praja Mulia also has documented procedures for the controlled use of B3 (Hazardous and Toxic Materials), as well as for Integrated Pest Management and Disease,

The management unit has undertaken Biodiversity Management activities through identification and inventory of protected, endemic, rare and threatened / endangered flora and fauna within the IUPHHK-HTI area, which are reported to the relevant authorities each semester.

CV Bhakti Praja Mulia has implemented forest protection measures against fire hazard by implementing appropriate measures.

#### **Results of the Public Consultation**

Prior to conducting the Surveillance 1 audit, PT AJA Sertifikasi Indonesia carried out public consultation commencing October 25, 2017, requesting stakeholders to provide feedback and information on CV Bhakti Praja Mulia. Public consultation was uploaded to the PT AJA Sertifikasi Indonesia website [www.ajaindonesia.com](http://www.ajaindonesia.com), sent to the parties by email and postal mail, and published in a local newspaper. No input was received from stakeholders as a result of the public consultation.

The audit team also gathered information from the mass media about CV Bhakti Praja Mulia, which was given material consideration in the audit process.

#### **Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.**

Based on the results of the Surveillance 1 Audit of CV Bhakti Praja Mulia, no Non-Conformities (NC) were identified by the audit team.

#### **Conditions under which the certificate is issued**

The certificate is valid until 27/02/2020